

Solid Waste Services

MISSION STATEMENT

The mission of the Solid Waste Services Division is to manage the County's municipal solid waste in an environmentally and economically sound manner. The goal is to recycle 50 percent of the municipal solid waste stream through an integrated solid waste management system which includes waste reduction, reuse, and recycling. Waste delivered to the County that is not reused or recycled is processed in a Resource Recovery Facility (RRF) which produces electricity, while nonprocessible waste, bypass waste, and ash are landfilled. The Division also provides contractual refuse collection services to single-family households in Subdistrict A of the Solid Waste Management District and contractual recycling collection throughout the County to single-family households outside of municipalities.

County Government Reorganization

In February, 2008, the County Executive announced a detailed Montgomery County Government Reorganization in order to improve effectiveness, customer service, accessibility, and efficiency. As part of this plan, Solid Waste Services was moved from the Department of Public Works and Transportation to the Department of Environmental Protection. Due to the scale of operations, the Solid Waste Services budget is displayed separately.

BUDGET OVERVIEW

The total recommended FY09 Operating Budget for the Division of Solid Waste Services is \$106,126,230, an increase of \$2,356,790 or 2.3 percent from the FY08 Approved Budget of \$103,769,440. Personnel Costs comprise 12.8 percent of the budget for 87 full-time positions for 158.7 workyears. Operating Expenses, Capital Outlay, and Debt Service account for the remaining 87.2 percent of the FY09 budget.

In addition, this department's Capital Improvements Program (CIP) requires Current Revenue funding.

LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ **Healthy and Sustainable Neighborhoods**
- ❖ **A Responsive, Accountable County Government**

PERFORMANCE MEASURES

This table presents what the department estimates and projects will be the FY08 through FY10 data for its performance measures if there are no changes in funding.

| Measure | Actual FY06 | Actual FY07 | Estimated FY08 | Projected FY09 | Projected FY10 |
|---|----------------|----------------|-------------------|-------------------|-------------------|
| Number of Visits Related To Household Hazardous Waste Disposal | 41,736 | 59,211 | 75,000 | 85,000 | 95,000 |
| Number of Missed Collections | 915 | 539 | 600 | 600 | 600 |
| Number of Site Visits to Provide Recycling Assistance to Businesses | 8,172 | 7,647 | 7,670 | 7,695 | 7,725 |
| Non-Residential Recycling (tonnages) | 217,513 | 230,685 | 247,117 | 264,167 | 281,167 |
| Multi-Family Recycling (tonnages) | 11,970 | 13,348 | 13,867 | 14,651 | 15,591 |
| Single-Family Recycling (tonnages) | 290,980 | 284,154 | 287,903 | 291,406 | 294,966 |
| Percentage of Recycling Achievement | 41.7 | 43.2 | 44.3 | 45.4 | 46.4 |

ACCOMPLISHMENTS AND INITIATIVES

- ❖ **The Recycling Center received the 2007 Solid Waste Association of North America Recycling Systems Gold Excellence Award, recognizing it as the top facility of its type in the nation. The Recycling Center also generates about \$3 million per year in revenues from the sale of recycled commodities such as aluminum, steel, plastics, and glass that cover its operating costs.**
- ❖ **Currently, all latex paint is either solidified or given away, reducing its cost for handling from \$3.00 per gallon in previous fiscal years to \$.45 in FY07.**

- ❖ *The total amount of materials recycled by residents and businesses in Montgomery County increased from 520,466 tons in FY06 to 528,187 tons in FY07.*
- ❖ *The overall recycling achievement for the County increased from 41.7 percent in FY06 to 43.2 percent in FY07.*
- ❖ *As part of its waste reduction program efforts, the Division of Solid Waste Services established a web site to match generators of waste vegetable oil with individuals who use straight vegetable oil (SVO) to power modified diesel automobiles. SVO is a safe, biodegradable, renewable fuel that also reduces air pollutants.*
- ❖ *Reduce Nitrogen Oxides (NOx) emissions by 46 percent over the next two years through the use of state of the art technologies at the Resource Recovery Facility (Capital Improvements Program).*
- ❖ *Repair one pond to carry out environmental monitoring and properly abandon four other ponds to prevent downstream environmental damage at the Site 2 property in Dickerson, Maryland.*

PROGRAM CONTACTS

Contact Scott McClure of the Division of Solid Waste Services at 240.777.6436 or Brady Goldsmith of the Office of Management and Budget at 240.777.2793 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

Automation

This program provides for the overall operation and maintenance of existing computer equipment, as well as the purchase of any new automation equipment and technology to support effective and efficient achievement of the Division's mission.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|----------------|------------|
| FY08 Approved | 458,740 | 2.0 |
| Increase Cost: Information Technology Maintenance | 67,010 | 0.0 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | -174,480 | -0.8 |
| FY09 CE Recommended | 351,270 | 1.2 |

Revenue Management & System Evaluation

This program manages enterprise fund business processes and supports solid waste policy issues through overall system evaluation. The main activities are: fiscal management of the three enterprise funds including rate-setting and all revenue-related processes; ratepayer database management; appeals processing; billing waste collectors with credit accounts; system-wide tonnage tracking and reporting; policy analysis; benchmarking; and performance measurement.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|----------------|------------|
| FY08 Approved | 596,080 | 5.4 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 8,380 | 0.0 |
| FY09 CE Recommended | 604,460 | 5.4 |

Commercial Recycling and Waste Reduction

This program provides for mandatory commercial sector recycling and waste reduction and the review of recycling and waste reduction plans and annual reports from all large and medium-sized businesses, as well as targeted small businesses. Through this program, technical support, assistance, education, outreach, and training is provided to the commercial sector in the areas of recycling, buying recycled products, and waste reduction. This program also provides for enforcement of the County's recycling regulations and other requirements of the County Code as they apply to non-residential waste generators.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|-------------|
| FY08 Approved | 1,513,060 | 9.8 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 175,880 | 0.5 |
| FY09 CE Recommended | 1,688,940 | 10.3 |

Dickerson Compost Facility

This program includes all functions necessary to transport, process, compost, and market yard trim that is received by the County through either curbside collection, drop-off at the Transfer Station, or collection through the Leaf Vacuuming Program. The yard trim is processed at the facility and then sold in bulk and bags.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|------------|
| FY08 Approved | 3,232,460 | 1.1 |
| Increase Cost: Compost Facility Program - Increase due to projected tonnage | 235,230 | 0.0 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 592,430 | -0.1 |
| FY09 CE Recommended | 4,060,120 | 1.0 |

Dickerson Master Plan

This program provides for the implementation of the Dickerson Solid Waste Facilities Master Plan. This plan identifies the environmental, community, and operational effects of solid waste facilities in the Dickerson area (the RRF, the Site 2 Landfill, and the Compost Facility) and outlines policies and actions to mitigate those effects.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|------------|
| FY08 Approved | 295,280 | 1.9 |
| Decrease Cost: Master Plan - based on implementation schedule | -76,990 | 0.0 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 17,980 | -0.1 |
| FY09 CE Recommended | 236,270 | 1.8 |

Gude Landfill

The purpose of this program is to monitor air and water quality around the landfill, maintain stormwater management and erosion control structures, maintain site roads, and manage the landfill gas. In addition, it encompasses all operational functions necessary to maintain the Gude Landfill, which closed in 1982, in an environmentally sound and cost-effective manner.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|------------|
| FY08 Approved | 360,420 | 0.6 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 13,900 | 0.0 |
| FY09 CE Recommended | 374,320 | 0.6 |

Mixed Paper Recycling

This program provides for the management, processing, and marketing of the County's residential mixed paper. Residential mixed paper includes newspaper, corrugated containers, kraft paper bags, magazines, telephone directories, and unwanted mail.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|------------|
| FY08 Approved | 1,665,320 | 0.5 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 47,230 | 0.0 |
| FY09 CE Recommended | 1,712,550 | 0.5 |

Oaks Landfill

This program maintains the closed Oaks Landfill in an environmentally sound and cost-effective manner in accordance with applicable State and Federal regulations. Mandated duties under this program include maintaining monitoring wells for landfill gas and water quality around the landfill; managing landfill gas; maintaining leachate storage and pre-treatment facilities; and performing other required site maintenance. This program also provides for the acceptance and treatment of waste generated by the cleanout of stormwater oil/grit separators.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|------------|
| FY08 Approved | 1,516,330 | 1.1 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 6,520 | 0.0 |
| FY09 CE Recommended | 1,522,850 | 1.1 |

Out-of-County Refuse Disposal

This program provides for the rail shipment of ash residue that is designated for disposal from the RRF to a contracted landfill facility in Brunswick County, Virginia. A dedicated disposal cell area was developed at this landfill exclusively for waste from Montgomery County. This program also provides for the shipment of nonprocessable waste, such as construction material and, if necessary, bypass waste, from the Transfer Station to either recycling facilities or the contracted landfill in Brunswick County.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|------------|
| FY08 Approved | 12,643,540 | 0.6 |
| Increase Cost: Out-of-County Haul - Increase due to inflation and project tonnage | 773,950 | 0.0 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 2,760 | 0.0 |
| FY09 CE Recommended | 13,420,250 | 0.6 |

Recycling & Waste Reduction - Multi-Family Dwellings

This program provides for mandatory recycling and waste reduction for multi-family properties. Program efforts include technical assistance, training, and outreach in addition to the review and monitoring of waste reduction and recycling plans and reports. This program also provides for enforcement of the County's recycling regulation and other requirements of the County Code as they apply to multi-family waste generators.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|------------|
| FY08 Approved | 722,830 | 4.1 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | -4,940 | 0.0 |
| FY09 CE Recommended | 717,890 | 4.1 |

Recycling - Residential

This program provides for securing, administering, and enforcing countywide contracts for residential curbside recycling collection with private haulers and responding to service needs from citizens. Staff maintains a customer service program and a database of all customers and the services they receive. This program also provides for enforcement of the County's recycling regulation as it applies to single-family waste generators, and enforcement of Collector licensure, permits, and other requirements of Chapter 48 of

the County Code.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|-------------|
| FY08 Approved | 17,791,260 | 19.8 |
| Increase Cost: Residential Recycling Collection Program - Increase due to household counts and fuel costs | 813,180 | 0.0 |
| Increase Cost: Create Public Service Worker II position to replace Temporary Worker to distribute and maintain County's blue recycling carts | 35,060 | 0.8 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 111,600 | 0.0 |
| FY09 CE Recommended | 18,751,100 | 20.6 |

Recycling Center

This program provides for the separation, processing, and marketing of recyclable materials (glass, metal, and plastic). The Recycling Center also serves as a transfer point for shipping residential mixed paper for processing. The Recycling Center receives recyclable material collected under the County curbside collection program, as well as from municipalities and multi-family properties which have established similar types of programs. The materials are then sorted and shipped to markets for recycling.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|------------|
| FY08 Approved | 3,687,910 | 3.7 |
| Increase Cost: Recycling Center Program - Increase due to projected tonnage | 386,970 | 0.0 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | -262,020 | 0.0 |
| FY09 CE Recommended | 3,812,860 | 3.7 |

Waste System Program Development

This program supports the planning and development of solid waste programs in accordance with the mandates of the County's Ten Year Comprehensive Solid Waste Management Plan. This may include evaluating existing source reduction, recycling, composting, collection, and disposal programs and policies with the intent of achieving solid waste program goals.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|------------|
| FY08 Approved | 212,040 | 1.7 |
| Increase Cost: Planning, Development, and Evaluation Program - Increase due to scheduled Waste Composition Study | 147,200 | 0.0 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 45,220 | 0.2 |
| FY09 CE Recommended | 404,460 | 1.9 |

Recycling Outreach & Education

This program provides for educating the general public about recycling, buying recycled products, composting, and waste reduction and encourages compliance with applicable laws. Public education is an important tool supporting solid waste program goals and ensuring the success of recycling initiatives.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|------------|
| FY08 Approved | 352,890 | 1.0 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 4,570 | 0.1 |
| FY09 CE Recommended | 357,460 | 1.1 |

Support for Recycling Volunteers

The mission of this program is to use citizen volunteers to augment available staff resources and improve participation in waste reduction, recycling, and buying recycled programs. This citizen-to-citizen peer contact is very effective in motivating residents to actively participate in recycling.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|------------|
| FY08 Approved | 179,590 | 1.2 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 19,280 | 0.2 |
| FY09 CE Recommended | 198,870 | 1.4 |

Regulation of Refuse & Recycling Collection

This program provides for the enforcement of license requirements and regulates private residential and commercial waste haulers, including those that collect and transport refuse or recyclables.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|------------|
| FY08 Approved | 77,910 | 0.8 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | -8,560 | 0.0 |
| FY09 CE Recommended | 69,350 | 0.8 |

Residential Household Hazardous Waste

This program collects and disposes of household hazardous waste such as flammable products, insecticides, mercury, and reactive and corrosive chemicals. These products are removed from the municipal solid waste stream and processed at State and Federally-approved hazardous waste treatment, storage, and disposal facilities. This program also includes outreach to educate residents regarding the potential dangers of certain household products and to reduce generation of hazardous waste.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|------------|
| FY08 Approved | 994,010 | 0.5 |
| Increase Cost: Residential Household Hazardous Waste - Increase due to advertising costs | 53,420 | 0.0 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 3,120 | 0.0 |
| FY09 CE Recommended | 1,050,550 | 0.5 |

Resource Recovery Facility & Related Waste Transfer

This program provides for the operation of the Montgomery County Resource Recovery Facility (RRF). The RRF serves as the primary disposal facility for non-recycled waste generated in the County. Electricity generated by the combustion of municipal solid waste is sold to Mirant Energy. The program also includes related costs at the Transfer Station and transportation of material between the Transfer Station and the RRF. Extensive environmental and operational monitoring is conducted, both on-site and in surrounding communities, to meet contractual obligations and all applicable regulatory standards regarding the facility.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|------------|
| FY08 Approved | 34,267,790 | 2.4 |
| Increase Cost: Resource Recovery Facility - Increase to due indexed contract costs | 2,031,570 | 0.0 |

| | Expenditures | WYs |
|--|-------------------|------------|
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | -3,396,050 | -0.4 |
| FY09 CE Recommended | 32,903,310 | 2.0 |

Satellite Drop-Off Sites

This program operates satellite drop-off sites at the Damascus and Poolesville Highway Services Depots. Residents can bring bulky materials to these sites. The sites, which operate only on weekends, provide drop-off sites for trash items as a convenience to County residents and reduce the incidence of roadside dumping. Material that is collected is then transported to the Transfer Station in Rockville.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|----------------|------------|
| FY08 Approved | 528,070 | 3.1 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 48,740 | 0.0 |
| FY09 CE Recommended | 576,810 | 3.1 |

Site 2 Landfill

This program provides for the management of properties acquired for a potential future landfill. All properties are leased and/or used by private residents. Management activities include the inspection, evaluation, and maintenance of leased agricultural land, single-family dwellings, and agricultural buildings. Activities are coordinated with the Division of Operations as needed.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|----------------|------------|
| FY08 Approved | 311,050 | 0.3 |
| Enhance: Site 2 Environment: Repair one pond and properly abandon three others | 498,030 | 0.0 |
| Decrease Cost: Site 2 Landfill - maintenance costs | -52,650 | 0.0 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | -183,090 | 0.1 |
| FY09 CE Recommended | 573,340 | 0.4 |

Housing and Environmental Permit Enforcement

Enforcement provided by the Department of Housing and Community Affairs under this program consists of six related components. Staff respond to resident complaints dealing with: storage and removal of solid waste; illegal solid waste dumping activities in the County; storage of unregistered vehicles on private property throughout the County; storage of inoperable vehicles on private property; improper screening of dumpsters, particularly those in shopping areas; and control and regulation of weeds throughout the County. The program includes a "Clean or Lien" component, which provides for the removal of dangerous or unsightly trash, perimeter grass, and weeds on properties which the owners have failed to maintain as required. Also under this program, the Department of Environmental Protection provides surface and subsurface environmental compliance monitoring at all County solid waste facilities, and reviews reports of air monitoring of the Resource Recovery Facility.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|------------------|-------------|
| FY08 Approved | 1,015,600 | 10.1 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 39,640 | 0.1 |
| FY09 CE Recommended | 1,055,240 | 10.2 |

Solid Waste Transfer Station

The purpose of this program is to provide a receiving, processing, and shipping facility for municipal solid waste generated within the County. Yard waste is also received, processed, and shipped to the compost facility, mulch preserves, or other outlets. Other waste is handled or recycled including scrap metal, oil and anti-freeze, textiles, car batteries, and construction material. County staff

operate the scale-house and oversee general operations, while contractors provide for the receipt and transfer of waste and operate the public unloading facility and recycling drop-off areas. This program includes enforcement of the County's ban on delivery of recyclables mixed in with trash delivered for disposal.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|-------------|
| FY08 Approved | 4,353,310 | 13.3 |
| Decrease Cost: Replace Contractor Supervisor with County Supervisor | -9,610 | 0.8 |
| Decrease Cost: Solid Waste Transfer Station - Reallocation of expenses | -172,980 | 0.0 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | -410,230 | 0.0 |
| FY09 CE Recommended | 3,760,490 | 14.1 |

Waste Detoxification

This program provides assistance to businesses that qualify as small-quantity generators of hazardous waste by providing them an economical and environmentally safe disposal option. The materials are handled through the County's hazardous waste contractor and permitted hazardous waste management facilities.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|------------|
| FY08 Approved | 33,770 | 0.1 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 6,790 | 0.0 |
| FY09 CE Recommended | 40,560 | 0.1 |

Waste Reduction

This program provides for the development of activities to reduce solid waste before it enters the waste stream. Program efforts focus on source reduction of yard trim through grasscycling and backyard and on-site composting, as well as recovering textiles and building and construction materials for reuse. This program also encourages reducing the use of hazardous materials through outreach and public education.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|------------|
| FY08 Approved | 370,570 | 0.5 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 7,860 | 0.0 |
| FY09 CE Recommended | 378,430 | 0.5 |

Debt Service - Disposal Fund

This program contains principal and interest payments for general obligation bonds and revenue bonds used to fund the construction of solid waste facilities and other major improvements.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|------------|
| FY08 Approved | 4,016,990 | 0.0 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | -10,240 | 0.0 |
| FY09 CE Recommended | 4,006,750 | 0.0 |

Administration

This program provides budget management, management analysis, human resource management, contract and procurement management support, and administrative program support.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|-------------|
| FY08 Approved | 1,705,830 | 10.6 |
| Increase Cost: Additional cost to pre-fund retiree health insurance on the multi-year schedule | 111,120 | 0.0 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 56,920 | -0.3 |
| FY09 CE Recommended | 1,873,870 | 10.3 |

Refuse Collection - Residential

The purpose of this program is to secure, administer, and enforce contracts with private haulers for residential refuse collection in Subdistrict A of the Solid Waste Collection and Disposal District, as well as to respond to service needs from citizens. Staff maintain the database of households served and administer the billing of that service. Staff also enforce County solid waste laws and noise ordinances pertaining to collection vehicle operators.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|------------|
| FY08 Approved | 6,075,570 | 8.5 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 270,430 | 0.7 |
| FY09 CE Recommended | 6,346,000 | 9.2 |

Vacuum Leaf Collection

The Vacuum Leaf Collection program provides two vacuum leaf collections to the residents in the Leaf Vacuuming District during the late fall/winter months. Vacuum leaf collection is an enhanced service which complements homeowner responsibilities related to the collection of the high volume of leaves generated in this part of the County.

FY09 Recommended Changes

| | Expenditures | WYs |
|--|---------------------|-------------|
| FY08 Approved | 4,791,220 | 52.8 |
| Miscellaneous adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program | 486,640 | -0.6 |
| FY09 CE Recommended | 5,277,860 | 52.2 |

BUDGET SUMMARY

| | Actual FY07 | Budget FY08 | Estimated FY08 | Recommended FY09 | % Chg Bud/Rec |
|---|-------------------|-------------------|-------------------|---------------------|------------------|
| SOLID WASTE COLLECTION | | | | | |
| EXPENDITURES | | | | | |
| Salaries and Wages | 689,295 | 775,730 | 774,010 | 863,860 | 11.4% |
| Employee Benefits | 227,331 | 260,490 | 258,000 | 307,120 | 17.9% |
| Solid Waste Collection Personnel Costs | 916,626 | 1,036,220 | 1,032,010 | 1,170,980 | 13.0% |
| Operating Expenses | 4,684,610 | 5,444,510 | 5,437,110 | 5,583,550 | 2.6% |
| Capital Outlay | 0 | 0 | 0 | 0 | — |
| Solid Waste Collection Expenditures | 5,601,236 | 6,480,730 | 6,469,120 | 6,754,530 | 4.2% |
| PERSONNEL | | | | | |
| Full-Time | 9 | 10 | 10 | 10 | — |
| Part-Time | 0 | 0 | 0 | 0 | — |
| Workyears | 10.9 | 11.4 | 11.4 | 12.1 | 6.1% |
| REVENUES | | | | | |
| Collection Fees | 5,787,439 | 5,860,340 | 5,890,740 | 6,521,670 | 11.3% |
| Investment Income | 150,495 | 120,000 | 160,000 | 130,000 | 8.3% |
| Solid Waste Collection Revenues | 5,937,934 | 5,980,340 | 6,050,740 | 6,651,670 | 11.2% |
| SOLID WASTE DISPOSAL | | | | | |
| EXPENDITURES | | | | | |
| Salaries and Wages | 5,638,825 | 6,262,360 | 6,287,870 | 6,580,670 | 5.1% |
| Employee Benefits | 1,796,690 | 2,052,920 | 2,050,010 | 2,310,010 | 12.5% |
| Solid Waste Disposal Personnel Costs | 7,435,515 | 8,315,280 | 8,337,880 | 8,890,680 | 6.9% |
| Operating Expenses | 80,956,742 | 78,237,030 | 77,699,140 | 79,504,750 | 1.6% |
| Debt Service G.O. Bonds | 0 | 2,540 | 2,540 | 0 | — |
| Debt Service Other | 4,012,411 | 4,014,540 | 4,014,540 | 4,006,750 | -0.2% |
| Capital Outlay | 1,045,985 | 1,928,100 | 1,858,100 | 1,691,660 | -12.3% |
| Solid Waste Disposal Expenditures | 93,450,653 | 92,497,490 | 91,912,200 | 94,093,840 | 1.7% |
| PERSONNEL | | | | | |
| Full-Time | 72 | 75 | 75 | 77 | 2.7% |
| Part-Time | 0 | 0 | 0 | 0 | — |
| Workyears | 92.4 | 93.3 | 93.3 | 94.4 | 1.2% |
| REVENUES | | | | | |
| Civil Penalties/Fines | 83,050 | 0 | 40,100 | 0 | — |
| Disposal Fees/Operating Revenue | 26,834,342 | 32,097,580 | 28,626,300 | 30,153,720 | -6.1% |
| Systems Benefit Charge | 46,730,512 | 46,854,740 | 50,673,100 | 50,406,120 | 7.6% |
| FEMA Reimbursement | 11,135 | 0 | 0 | 0 | — |
| Sale Of Recycled Materials | 4,649,217 | 4,424,210 | 4,756,980 | 4,935,690 | 11.6% |
| Gude Methane Royalties | 16 | 0 | 0 | 0 | — |
| Investment Income: Pooled | 4,636,129 | 3,788,720 | 3,788,720 | 3,659,350 | -3.4% |
| Investment Income: Non-Pooled | 154,199 | 60,000 | 60,000 | 60,000 | — |
| Miscellaneous | 7,233,005 | 5,514,740 | 7,345,110 | 8,179,730 | 48.3% |
| License Fees | 11,360 | 10,150 | 8,450 | 10,150 | — |
| Solid Waste Disposal Revenues | 90,342,965 | 92,750,140 | 95,298,760 | 97,404,760 | 5.0% |
| VACUUM LEAF COLLECTION | | | | | |
| EXPENDITURES | | | | | |
| Salaries and Wages | 2,253,448 | 2,506,810 | 2,213,920 | 2,613,360 | 4.3% |
| Employee Benefits | 545,955 | 865,720 | 788,000 | 915,210 | 5.7% |
| Vacuum Leaf Collection Personnel Costs | 2,799,403 | 3,372,530 | 3,001,920 | 3,528,570 | 4.6% |
| Operating Expenses | 2,085,661 | 1,418,690 | 2,024,440 | 1,749,290 | 23.3% |
| Capital Outlay | 0 | 0 | 0 | 0 | — |
| Vacuum Leaf Collection Expenditures | 4,885,064 | 4,791,220 | 5,026,360 | 5,277,860 | 10.2% |
| PERSONNEL | | | | | |
| Full-Time | 0 | 0 | 0 | 0 | — |
| Part-Time | 0 | 0 | 0 | 0 | — |
| Workyears | 52.8 | 52.8 | 52.8 | 52.2 | -1.1% |
| REVENUES | | | | | |
| Collection Fees | 6,199,772 | 5,977,080 | 5,891,540 | 6,947,410 | 16.2% |
| Investment Income | 72,231 | 60,000 | 60,000 | 60,000 | — |
| Vacuum Leaf Collection Revenues | 6,272,003 | 6,037,080 | 5,951,540 | 7,007,410 | 16.1% |
| DEPARTMENT TOTALS | | | | | |
| Total Expenditures | 103,936,953 | 103,769,440 | 103,407,680 | 106,126,230 | 2.3% |
| Total Full-Time Positions | 81 | 85 | 85 | 87 | 2.4% |
| Total Part-Time Positions | 0 | 0 | 0 | 0 | — |

| | Actual FY07 | Budget FY08 | Estimated FY08 | Recommended FY09 | % Chg Bud/Rec |
|------------------------|--------------------|--------------------|--------------------|---------------------|------------------|
| Total Workyears | 156.1 | 157.5 | 157.5 | 158.7 | 0.8% |
| Total Revenues | 102,552,902 | 104,767,560 | 107,301,040 | 111,063,840 | 6.0% |

FY09 RECOMMENDED CHANGES

| | Expenditures | WYs |
|--|-------------------|-------------|
| SOLID WASTE COLLECTION | | |
| FY08 ORIGINAL APPROPRIATION | 6,480,730 | 11.4 |
| <u>Other Adjustments (with no service impacts)</u> | | |
| Increase Cost: Annualization of FY08 Operating Expenses | 146,680 | 0.0 |
| Shift: Reallocation of Personnel Positions | 80,850 | 0.8 |
| Increase Cost: General Wage and Service Increment Adjustments | 53,490 | 0.0 |
| Increase Cost: Group Insurance Adjustment | 13,580 | 0.0 |
| Increase Cost: Additional cost to pre-fund retiree health insurance on the multi-year schedule | 12,660 | 0.0 |
| Increase Cost: Printing and Mail Adjustments | 6,900 | 0.0 |
| Increase Cost: Retirement Adjustment | 5,180 | 0.0 |
| Increase Cost: Occupational Medical Services (OMS) Adjustment | 130 | 0.0 |
| Decrease Cost: Risk Management Adjustment | -2,330 | 0.0 |
| Decrease Cost: Annualization of FY08 Personnel Costs | -8,460 | 0.0 |
| Decrease Cost: Chargeback Decreases | -9,880 | -0.1 |
| Decrease Cost: Elimination of One-Time Items Approved in FY08 | -25,000 | 0.0 |
| FY09 RECOMMENDED: | 6,754,530 | 12.1 |
| SOLID WASTE DISPOSAL | | |
| FY08 ORIGINAL APPROPRIATION | 92,497,490 | 93.3 |
| <u>Changes (with service impacts)</u> | | |
| Enhance: Site 2 Environment: Repair one pond and properly abandon three others [Site 2 Landfill] | 498,030 | 0.0 |
| <u>Other Adjustments (with no service impacts)</u> | | |
| Increase Cost: Resource Recovery Facility - Increase to due indexed contract costs [Resource Recovery Facility & Related Waste Transfer] | 2,031,570 | 0.0 |
| Increase Cost: Equipment Replacement - Front End Loader, Pond Pipe, Conveyor, Screener, Rubber Tire Crane, and Forklift | 1,666,160 | 0.0 |
| Increase Cost: Residential Recycling Collection Program - Increase due to household counts and fuel costs [Recycling - Residential] | 813,180 | 0.0 |
| Increase Cost: Out-of-County Haul - Increase due to inflation and project tonnage [Out-of-County Refuse Disposal] | 773,950 | 0.0 |
| Increase Cost: General Wage and Service Increment Adjustments | 387,860 | 0.0 |
| Increase Cost: Recycling Center Program - Increase due to projected tonnage [Recycling Center] | 386,970 | 0.0 |
| Increase Cost: Compost Facility Program - Increase due to projected tonnage [Dickerson Compost Facility] | 235,230 | 0.0 |
| Increase Cost: Disposal Fund Increases - Annualization of Operating Expenses | 219,300 | 0.0 |
| Increase Cost: Planning, Development, and Evaluation Program - Increase due to scheduled Waste Composition Study [Waste System Program Development] | 147,200 | 0.0 |
| Increase Cost: Group Insurance Adjustment | 113,360 | 0.0 |
| Increase Cost: Additional cost to pre-fund retiree health insurance on the multi-year schedule [Administration] | 111,120 | 0.0 |
| Increase Cost: Annualization of FY08 Lapsed Positions | 73,030 | 0.6 |
| Increase Cost: Information Technology Maintenance [Automation] | 67,010 | 0.0 |
| Increase Cost: Retirement Adjustment | 63,050 | 0.0 |
| Increase Cost: Residential Household Hazardous Waste - Increase due to advertising costs [Residential Household Hazardous Waste] | 53,420 | 0.0 |
| Increase Cost: Create Public Service Worker II position to replace Temporary Worker to distribute and maintain County's blue recycling carts [Recycling - Residential] | 35,060 | 0.8 |
| Increase Cost: Printing and Mail Adjustments | 20,490 | 0.0 |
| Increase Cost: Occupational Medical Services (OMS) Adjustment | 1,530 | 0.0 |
| Decrease Cost: Chargeback Decreases | -5,960 | -0.4 |
| Decrease Cost: Replace Contractor Supervisor with County Supervisor [Solid Waste Transfer Station] | -9,610 | 0.8 |
| Decrease Cost: Smaller Disposal Fund Decreases - Annualization of Operating Expenses | -16,600 | 0.0 |
| Decrease Cost: Risk Management Adjustment | -26,310 | 0.0 |
| Decrease Cost: Site 2 Landfill - maintenance costs [Site 2 Landfill] | -52,650 | 0.0 |
| Decrease Cost: Annualization of FY08 Personnel Costs | -68,750 | 0.0 |
| Decrease Cost: Master Plan - based on implementation schedule [Dickerson Master Plan] | -76,990 | 0.0 |

| | Expenditures | WYs |
|---|-------------------|-------------|
| Shift: Reallocation of Personnel Costs | -80,270 | -0.7 |
| Decrease Cost: Solid Waste Transfer Station - Reallocation of expenses [Solid Waste Transfer Station] | -172,980 | 0.0 |
| Decrease Cost: Elimination of One-Time Items Approved in FY08 | -2,311,050 | 0.0 |
| Shift: Nitrogen Oxides (NOx) Control System to Capital Improvements Program | -3,280,000 | 0.0 |
| FY09 RECOMMENDED: | 94,093,840 | 94.4 |
| VACUUM LEAF COLLECTION | | |
| FY08 ORIGINAL APPROPRIATION | 4,791,220 | 52.8 |
| <u>Other Adjustments (with no service impacts)</u> | | |
| Increase Cost: Motor Pool Rate Adjustment | 250,000 | 0.0 |
| Increase Cost: General Wage and Service Increment Adjustments | 121,150 | 0.0 |
| Increase Cost: Annualization of FY08 Operating Expenses | 80,600 | 0.0 |
| Increase Cost: Group Insurance Adjustment | 49,700 | 0.0 |
| Increase Cost: Retirement Adjustment | 10,060 | 0.0 |
| Decrease Cost: Chargeback Decreases | -2,620 | 0.0 |
| Decrease Cost: Annualization of FY08 Personnel Costs | -22,250 | -0.6 |
| FY09 RECOMMENDED: | 5,277,860 | 52.2 |

PROGRAM SUMMARY

| | FY08 Approved | | FY09 Recommended | |
|--|--------------------|--------------|--------------------|--------------|
| | Expenditures | WYs | Expenditures | WYs |
| Automation | 458,740 | 2.0 | 351,270 | 1.2 |
| Revenue Management & System Evaluation | 596,080 | 5.4 | 604,460 | 5.4 |
| Commercial Recycling and Waste Reduction | 1,513,060 | 9.8 | 1,688,940 | 10.3 |
| Dickerson Compost Facility | 3,232,460 | 1.1 | 4,060,120 | 1.0 |
| Dickerson Master Plan | 295,280 | 1.9 | 236,270 | 1.8 |
| Gude Landfill | 360,420 | 0.6 | 374,320 | 0.6 |
| Mixed Paper Recycling | 1,665,320 | 0.5 | 1,712,550 | 0.5 |
| Oaks Landfill | 1,516,330 | 1.1 | 1,522,850 | 1.1 |
| Out-of-County Refuse Disposal | 12,643,540 | 0.6 | 13,420,250 | 0.6 |
| Recycling & Waste Reduction - Multi-Family Dwellings | 722,830 | 4.1 | 717,890 | 4.1 |
| Recycling - Residential | 17,791,260 | 19.8 | 18,751,100 | 20.6 |
| Recycling Center | 3,687,910 | 3.7 | 3,812,860 | 3.7 |
| Waste System Program Development | 212,040 | 1.7 | 404,460 | 1.9 |
| Recycling Outreach & Education | 352,890 | 1.0 | 357,460 | 1.1 |
| Support for Recycling Volunteers | 179,590 | 1.2 | 198,870 | 1.4 |
| Regulation of Refuse & Recycling Collection | 77,910 | 0.8 | 69,350 | 0.8 |
| Residential Household Hazardous Waste | 994,010 | 0.5 | 1,050,550 | 0.5 |
| Resource Recovery Facility & Related Waste Transfer | 34,267,790 | 2.4 | 32,903,310 | 2.0 |
| Satellite Drop-Off Sites | 528,070 | 3.1 | 576,810 | 3.1 |
| Site 2 Landfill | 311,050 | 0.3 | 573,340 | 0.4 |
| Housing and Environmental Permit Enforcement | 1,015,600 | 10.1 | 1,055,240 | 10.2 |
| Solid Waste Transfer Station | 4,353,310 | 13.3 | 3,760,490 | 14.1 |
| Waste Detoxification | 33,770 | 0.1 | 40,560 | 0.1 |
| Waste Reduction | 370,570 | 0.5 | 378,430 | 0.5 |
| Debt Service - Disposal Fund | 4,016,990 | 0.0 | 4,006,750 | 0.0 |
| Administration | 1,705,830 | 10.6 | 1,873,870 | 10.3 |
| Refuse Collection - Residential | 6,075,570 | 8.5 | 6,346,000 | 9.2 |
| Vacuum Leaf Collection | 4,791,220 | 52.8 | 5,277,860 | 52.2 |
| Totals | 103,769,440 | 157.5 | 106,126,230 | 158.7 |

CHARGES TO OTHER DEPARTMENTS

| Recipient Department | Recipient Fund | FY08 | | FY09 | |
|---|-------------------------------------|---------|-----|---------|-----|
| | | Total\$ | WYs | Total\$ | WYs |
| SOLID WASTE DISPOSAL | | | | | |
| DOT-Parking Lot Districts | Parking District - Bethesda | 46,170 | 0.0 | 46,170 | 0.0 |
| DOT-Parking Lot Districts | Parking District - Montgomery Hills | 1,440 | 0.0 | 1,440 | 0.0 |
| DOT-Parking Lot Districts | Parking District - Silver Spring | 88,000 | 0.0 | 88,000 | 0.0 |
| DOT-Parking Lot Districts | Parking District - Wheaton | 8,660 | 0.0 | 8,660 | 0.0 |
| Liquor Control | Liquor Control | 12,890 | 0.0 | 12,890 | 0.0 |
| NDA - Non-Departmental Accounts Generic | General Fund | 173,430 | 0.0 | 173,430 | 0.0 |

FUTURE FISCAL IMPACTS

| Title | CE REC. | | (\$000's) | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| | FY09 | FY10 | FY11 | FY12 | FY13 | FY14 |
| This table is intended to present significant future fiscal impacts of the department's programs. | | | | | | |
| SOLID WASTE COLLECTION | | | | | | |
| Expenditures | | | | | | |
| FY09 Recommended | 6,755 | 6,755 | 6,755 | 6,755 | 6,755 | 6,755 |
| No inflation or compensation change is included in outyear projections. | | | | | | |
| Labor Contracts | 0 | 59 | 64 | 64 | 64 | 64 |
| These figures represent the estimated cost of general wage adjustments, service increments, and associated benefits. | | | | | | |
| Retiree Health Insurance Pre-Funding | 0 | 17 | 34 | 51 | 54 | 58 |
| These figures represent the estimated cost of the multi-year plan to pre-fund retiree health insurance costs for the County's workforce. | | | | | | |
| Subtotal Expenditures | 6,755 | 6,830 | 6,852 | 6,869 | 6,873 | 6,877 |
| SOLID WASTE DISPOSAL | | | | | | |
| Expenditures | | | | | | |
| FY09 Recommended | 94,094 | 94,094 | 94,094 | 94,094 | 94,094 | 94,094 |
| No inflation or compensation change is included in outyear projections. | | | | | | |
| Annualization of Positions Recommended in FY09 | 0 | 23 | 23 | 23 | 23 | 23 |
| New positions in the FY09 budget are generally lapsed due to the time it takes a position to be created and filled. Therefore, the amounts above reflect annualization of these positions in the outyears. | | | | | | |
| Elimination of One-Time Items Recommended in FY09 | 0 | -26 | -26 | -26 | -26 | -26 |
| Items approved for one-time funding in FY09, including a vehicle for a Public Service Worker, will be eliminated from the base in the outyears. | | | | | | |
| Labor Contracts | 0 | 420 | 452 | 452 | 452 | 452 |
| These figures represent the estimated cost of general wage adjustments, service increments, and associated benefits. | | | | | | |
| Central Duplicating Deficit Recovery Charge | 0 | -1 | -1 | -1 | -1 | -1 |
| This per employee charge will be eliminated in FY10. | | | | | | |
| Compost Facility Equipment | 0 | -595 | 428 | -777 | -480 | 117 |
| Replacement of equipment at the Dickerson Compost Facility. | | | | | | |
| Debt Service - Revenue Bonds | 0 | 2 | 4 | 2 | -1,188 | -1,188 |
| Changes to principal and interest payments on Revenue Bonds. | | | | | | |
| Nitrogen Oxide (Nox) Control System | 0 | 1,568 | 1,627 | 1,238 | 1,279 | 1,321 |
| Operating Budget Impact | | | | | | |
| Recycling Center Equipment | 0 | 413 | 23 | 246 | 755 | 7 |
| Replacement of equipment at the Recycling Center. | | | | | | |
| Resource Recovery Facility Equipment | 0 | -689 | -900 | -900 | -900 | -900 |
| Replacement of Equipment at Resource Recovery Facility | | | | | | |
| Retiree Health Insurance Pre-Funding | 0 | 135 | 269 | 404 | 434 | 466 |
| These figures represent the estimated cost of the multi-year plan to pre-fund retiree health insurance costs for the County's workforce. | | | | | | |
| Transfer Station Equipment | 0 | 1,004 | -658 | -464 | -658 | -658 |
| Replacement of equipment at the Solid Waste Transfer Station. | | | | | | |
| Subtotal Expenditures | 94,094 | 96,349 | 95,336 | 94,291 | 93,785 | 93,708 |

| Title | CE REC. FY09 | FY10 | FY11 | (5000's) FY12 | FY13 | FY14 |
|--|-----------------|--------------|--------------|------------------|--------------|--------------|
| VACUUM LEAF COLLECTION | | | | | | |
| Expenditures | | | | | | |
| FY09 Recommended | 5,278 | 5,278 | 5,278 | 5,278 | 5,278 | 5,278 |
| No inflation or compensation change is included in outyear projections. | | | | | | |
| Labor Contracts | 0 | 131 | 140 | 140 | 140 | 140 |
| These figures represent the estimated cost of general wage adjustments, service increments, and associated benefits. | | | | | | |
| Subtotal Expenditures | 5,278 | 5,409 | 5,418 | 5,418 | 5,418 | 5,418 |

ANNUALIZATION OF PERSONNEL COSTS AND WORKYEARS

| | FY09 Recommended | | FY10 Annualized | |
|--|------------------|------------|-----------------|------------|
| | Expenditures | WYs | Expenditures | WYs |
| Decrease Cost: Replace Contractor Supervisor with County Supervisor [Solid Waste Transfer Station] | 54,700 | 0.8 | 68,370 | 1.0 |
| Increase Cost: Create Public Service Worker II position to replace Temporary Worker to distribute and maintain County's blue recycling carts [Recycling - Residential] | 38,380 | 0.8 | 47,990 | 1.0 |
| Total | 93,080 | 1.6 | 116,360 | 2.0 |

SOLID WASTE ENTERPRISE FUND

RATES AND FISCAL PROJECTIONS FOR FY09-14

Assumptions:

- Refuse collection services are maintained at their current level, but the annual household collection charge increases from \$66.00 to \$73.00.
- Vacuum leaf collection services are also maintained at their current level, but the annual single family household charge increases from \$80.54 to \$93.04 to fund the recommended budget and to establish a fund balance of at least \$250,000 at the end of FY09, consistent with the fund balance policy developed in August 2004.
- The disposal fee for municipal solid waste received at the Transfer Station (known as the “Tipping Fee”) is unchanged at \$56.00 per ton.
- Solid waste system service charges are adjusted to ensure the fiscal health of the fund (i.e., positive cash and retained earnings). The Executive recommends increasing the single-family service charges from \$198.42 to \$202.72.
- Expenditures for certain programs, such as the Resource Recovery Facility, Out-of-County Haul, and Mixed Paper Recycling, are calculated based on waste generation, disposal, and recycling estimates, as well as inflation. Other expenditures are increased by inflation, except where contract or scheduled costs apply.

FY09-14 PUBLIC SERVICES PROGRAM: FISCAL PLAN

SOLID WASTE COLLECTION FUND

| FISCAL PROJECTIONS | FY08 ESTIMATE | FY09 REC | FY10 PROJECTION | FY11 PROJECTION | FY12 PROJECTION | FY13 PROJECTION | FY14 PROJECTION |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| ASSUMPTIONS | | | | | | | |
| Indirect Cost Rate | 12.56% | 12.88% | 12.88% | 12.88% | 12.88% | 12.88% | 12.88% |
| CPI (Fiscal Year) | 3.6% | 2.8% | 2.4% | 2.5% | 2.5% | 2.5% | 2.5% |
| Charge Per Household (once-weekly refuse collection) | \$ 66.00 | \$ 73.00 | \$ 78.00 | \$ 85.00 | \$ 89.00 | \$ 91.00 | \$ 93.00 |
| Number of Households (mid-FY) | 89,902 | 89,338 | 90,505 | 92,018 | 92,218 | 92,418 | 92,907 |
| BEGINNING FUND BALANCE | 1,696,600 | 1,143,070 | 863,120 | 715,460 | 820,970 | 927,930 | 967,770 |
| REVENUES | | | | | | | |
| Charges For Services | 5,890,740 | 6,521,670 | 7,059,390 | 7,821,530 | 8,207,400 | 8,410,040 | 8,640,351 |
| Miscellaneous | 160,000 | 130,000 | 140,000 | 150,000 | 160,000 | 160,000 | 160,000 |
| Subtotal Revenues | 6,050,740 | 6,651,670 | 7,199,390 | 7,971,530 | 8,367,400 | 8,570,040 | 8,800,351 |
| INTERFUND TRANSFERS (Net Non-CIP) | (135,150) | (177,090) | (186,150) | (181,890) | (175,700) | (164,060) | (164,060) |
| Transfers To The General Fund | (135,150) | (155,820) | (163,370) | (164,060) | (164,060) | (164,060) | (164,060) |
| Indirect Costs | (130,150) | (150,820) | (158,370) | (159,060) | (159,060) | (159,060) | (159,060) |
| Technology Modernization CIP | 0 | (21,270) | (22,780) | (17,830) | (11,640) | 0 | 0 |
| Desktop Computer Modernization | (5,000) | (5,000) | (5,000) | (5,000) | (5,000) | (5,000) | (5,000) |
| TOTAL RESOURCES | 7,612,190 | 7,617,650 | 7,876,360 | 8,505,100 | 9,012,670 | 9,333,910 | 9,604,061 |
| PSP OPER. BUDGET APPROP/ EXP'S. | | | | | | | |
| Operating Budget | (6,469,120) | (6,754,530) | (7,102,310) | (7,620,140) | (8,020,750) | (8,302,150) | (8,375,670) |
| Labor Agreement | n/a | 0 | (58,590) | (63,990) | (63,990) | (63,990) | (63,990) |
| Subtotal PSP Oper Budget Approp / Exp's | (6,469,120) | (6,754,530) | (7,160,900) | (7,684,130) | (8,084,740) | (8,366,140) | (8,439,660) |
| TOTAL USE OF RESOURCES | (6,469,120) | (6,754,530) | (7,160,900) | (7,684,130) | (8,084,740) | (8,366,140) | (8,439,660) |
| YEAR END FUND BALANCE | 1,143,070 | 863,120 | 715,460 | 820,970 | 927,930 | 967,770 | 1,164,400 |
| END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES | 15.0% | 11.3% | 9.1% | 9.7% | 10.3% | 10.4% | 12.1% |

Assumptions:

Assumptions:

1. Refuse collection charges are adjusted to achieve cost recovery.

Notes:

1. The refuse collection charge is adjusted annually to fund the approved service program and to maintain an ending net asset balance between 10% and 15% of resources at the end of the six-year planning period. The fund balance policy for the Collection Fund was completed in August 2004.
2. These projections are based on the Executive's Recommended budget and include the revenue and resource assumptions of that budget. The projected future expenditures, revenues, and fund balances may vary based on changes not assumed here.

| FY09-14 DIVISION OF SOLID WASTE SERVICES | | | | | | | |
|---|---------------------|---------------------|--|----------------------|----------------------|----------------------|----------------------|
| FISCAL PROJECTIONS | APPROVED FY08 | PROJECTED FY09 | PROJECTED FY10 | PROJECTED FY11 | PROJECTED FY12 | PROJECTED FY13 | Projected FY14 |
| CHARGES/FEES | | | | | | | |
| Single-Family Charges (\$/Household) | 198.42 | 202.72 | 208.77 | 215.10 | 218.38 | 219.59 | 222.13 |
| % change in rate from previous year | 2.1% | 2.2% | 3.0% | 3.0% | 1.5% | 0.6% | 1.2% |
| Multi-Family Charges (\$/Dwelling Unit) | 16.40 | 16.41 | 16.41 | 16.42 | 16.42 | 16.44 | 15.24 |
| % change in rate from previous year | -9.6% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | -7.3% |
| Nonresidential Charges (medium "category" charge) | 431.32 | 456.06 | 497.34 | 540.89 | 582.87 | 617.75 | 655.13 |
| % change in rate from previous year | 8.9% | 5.7% | 9.1% | 8.8% | 7.8% | 6.0% | 6.1% |
| Nonresidential Charges (average \$/2000 sq. ft.) | 172.81 | 183.54 | 200.15 | 217.68 | 234.58 | 248.62 | 263.66 |
| OPERATIONS CALCULATION | | | Goal is to maintain Net Change near zero | | | | |
| REVENUES | | | | | | | |
| Disposal Fees | 32,097,581 | 30,153,720 | 30,124,960 | 30,453,440 | 30,785,530 | 31,117,610 | 31,441,260 |
| Charges for Services/SBC | 46,854,740 | 49,786,250 | 56,135,190 | 59,192,810 | 61,966,330 | 64,224,230 | 65,071,890 |
| Miscellaneous | 9,949,104 | 13,282,080 | 13,727,820 | 13,867,480 | 14,011,340 | 14,157,290 | 14,199,350 |
| Investment Income | 3,848,719 | 3,719,350 | 3,706,530 | 3,761,740 | 3,740,310 | 3,525,940 | 3,536,570 |
| Subtotal Revenues | 92,750,144 | 96,941,400 | 103,694,500 | 107,275,470 | 110,503,510 | 113,025,070 | 114,249,070 |
| INTERFUND TRANSFERS | 1,350,940 | 1,266,360 | 1,072,790 | 1,272,200 | 931,100 | 959,720 | 1,060,950 |
| EXPENDITURES | | | | | | | |
| Personnel Costs | (8,315,280) | (8,890,680) | (9,545,480) | (10,080,030) | (10,525,210) | (10,990,250) | (11,471,780) |
| Operating Expenses | (82,254,110) | (83,511,500) | (90,858,040) | (98,271,960) | (102,198,630) | (104,556,320) | (104,397,330) |
| Capital Outlay | (1,928,100) | (1,691,660) | (2,488,330) | (1,499,340) | (670,840) | - | - |
| Subtotal Expenditures | (92,497,490) | (94,093,840) | (102,891,850) | (109,851,330) | (113,394,680) | (115,546,570) | (115,869,110) |
| POTENTIAL FUTURE EXPENDITURES* | - | - | - | - | - | - | - |
| CURRENT RECEIPTS TO CIP** | (8,035,000) | (9,468,000) | (10,633,000) | - | - | - | - |
| PAYOUT OF CLOSURE COSTS (Non-CIP) | 1,465,470 | 1,471,990 | 1,513,590 | 1,556,170 | 1,599,210 | 1,642,690 | 1,687,410 |
| CY ACCRUED CLOSURE COSTS | (51,806) | (43,330) | (42,100) | (42,580) | (43,040) | (43,480) | (44,720) |
| NET CHANGE | (5,017,742) | (3,925,420) | (7,286,070) | 209,930 | (403,900) | 37,430 | 1,083,600 |

*Extraordinary Expenditure Charges to Stability Fund

** Amounts may not match PDF display for the CIP

CASH POSITION

Goal is to maintain Cash and Investments Over/(Under) Reserve Requirements at greater than zero

| | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| ENDING CASH & INVESTMENTS | | | | | | | |
| Unrestricted Cash | 24,251,749 | 29,742,820 | 21,059,720 | 20,173,500 | 17,776,650 | 16,036,250 | 15,072,450 |
| Restricted Cash | 36,198,028 | 34,543,050 | 35,322,310 | 35,692,850 | 36,737,700 | 37,453,650 | 38,293,690 |
| Subtotal Cash & Investments | 60,449,780 | 64,285,870 | 56,382,030 | 55,866,350 | 54,514,350 | 53,489,900 | 53,366,140 |
| RESERVE & LIABILITY REQUIREMENTS | | | | | | | |
| Management Reserve | (23,445,127) | (24,720,710) | (26,460,140) | (27,346,480) | (28,181,830) | (28,967,280) | (28,974,780) |
| Debt Service Reserve | (1,915,500) | (1,590,000) | (1,248,000) | (893,000) | (524,000) | (255,500) | (255,500) |
| Future System Contingency Reserve | (1,061,479) | (1,000,000) | (1,000,000) | (1,708,860) | (2,425,770) | (3,150,750) | (3,881,790) |
| Research & Development Reserve | (2,878,263) | (100,000) | (100,000) | (100,000) | (100,000) | (100,000) | (100,000) |
| Renewal & Replacement Reserve | (3,282,183) | (3,588,260) | (3,685,150) | (3,782,800) | (3,881,150) | (3,980,120) | (4,081,620) |
| Stability Reserve | (3,615,475) | (3,544,080) | (2,829,020) | (1,861,710) | (1,624,940) | (1,000,000) | (1,000,000) |
| Subtotal Reserve Requirements | (36,198,028) | (34,543,050) | (35,322,310) | (35,692,850) | (36,737,690) | (37,453,650) | (38,293,690) |
| Closure/Postclosure Liability | (19,192,586) | (21,855,590) | (20,384,110) | (18,870,520) | (17,314,360) | (15,715,140) | (14,072,450) |
| Current Liabilities Not Including Debt/Closure | | | | | | | |
| Subtotal Reserve & Liability Requirements | (55,390,614) | (56,398,640) | (55,706,420) | (54,563,370) | (54,052,050) | (53,168,790) | (52,366,140) |
| CASH & INVESTMENTS OVER/(UNDER) | | | | | | | |
| RESERVE & LIABILITY REQUIREMENTS | 5,059,166 | 7,887,230 | 675,610 | 1,302,980 | 462,300 | 321,110 | 1,000,000 |

Goal is to maintain Retained Earnings at greater than reserve requirements

| | | | | | | | |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| RETAINED EARNINGS | 5,059,166 | 7,887,230 | 675,610 | 1,302,980 | 462,300 | 321,110 | 1,000,000 |
| ENDING RETAINED EARNINGS | 63,352,049 | 71,396,940 | 79,146,100 | 82,886,630 | 85,091,050 | 86,641,350 | 86,293,600 |
| Less: Reserve Requirements | (36,198,028) | (34,543,050) | (35,322,310) | (35,692,850) | (36,737,690) | (37,453,650) | (38,293,690) |
| RETAINED EARNINGS OVER/(UNDER) | | | | | | | |
| RESERVE REQUIREMENTS | 27,154,021 | 36,853,890 | 43,823,790 | 47,193,780 | 48,353,360 | 49,187,700 | 47,999,910 |

FY09-14 PUBLIC SERVICES PROGRAM: FISCAL PLAN
VACUUM LEAF FUND

| FISCAL PROJECTIONS | FY08 ESTIMATE | FY09 REC | FY10 PROJECTION | FY11 PROJECTION | FY12 PROJECTION | FY13 PROJECTION | FY14 PROJECTION |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| ASSUMPTIONS | | | | | | | |
| Indirect Cost Rate | 12.56% | 12.88% | 12.88% | 12.88% | 12.88% | 12.88% | 12.88% |
| CPI (Fiscal Year) | 3.6% | 2.8% | 2.4% | 2.5% | 2.5% | 2.5% | 2.5% |
| Charge per single-family household | \$ 80.54 | \$ 93.04 | \$ 90.52 | \$ 95.42 | \$ 94.45 | \$ 98.07 | \$ 103.16 |
| Charge per multi-family unit and townhome unit | \$ 3.50 | \$ 4.04 | \$ 3.93 | \$ 4.15 | \$ 4.10 | \$ 4.26 | \$ 4.48 |
| BEGINNING FUND BALANCE | 300,910 | 40,230 | 250,230 | 250,230 | 250,230 | 250,230 | 250,230 |
| REVENUES | | | | | | | |
| Charges For Services | 5,891,540 | 6,947,410 | 6,846,990 | 7,338,660 | 7,279,780 | 7,575,190 | 8,010,070 |
| Miscellaneous | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| Subtotal Revenues | 5,951,540 | 7,007,410 | 6,906,990 | 7,398,660 | 7,339,780 | 7,635,190 | 8,070,070 |
| INTERFUND TRANSFERS (Net Non-CIP) | (1,185,860) | (1,519,550) | (1,419,610) | (1,692,040) | (1,407,540) | (1,470,880) | (1,664,090) |
| Transfers To The General Fund | (423,590) | (553,010) | (580,900) | (580,070) | (574,290) | (544,050) | (568,800) |
| Indirect Costs | (423,590) | (454,480) | (475,380) | (497,490) | (520,370) | (544,050) | (568,800) |
| Technology Modernization CIP | 0 | (98,530) | (105,520) | (82,580) | (53,920) | 0 | 0 |
| Transfers To Special Fds: Non-Tax + ISF | (762,270) | (966,540) | (838,710) | (1,111,970) | (833,250) | (926,830) | (1,095,290) |
| To Solid Waste Disposal Fund for Compost Facility | (762,270) | (966,540) | (838,710) | (1,111,970) | (833,250) | (926,830) | (1,095,290) |
| TOTAL RESOURCES | 5,066,590 | 5,528,090 | 5,737,610 | 5,956,850 | 6,182,470 | 6,414,540 | 6,656,210 |
| PSP OPER. BUDGET APPROP/ EXP'S. | | | | | | | |
| Operating Budget | (5,026,360) | (5,277,860) | (5,356,630) | (5,566,280) | (5,791,900) | (6,023,970) | (6,265,640) |
| Labor Agreement | n/a | 0 | (130,750) | (140,340) | (140,340) | (140,340) | (140,340) |
| Subtotal PSP Oper Budget Approp / Exp's | (5,026,360) | (5,277,860) | (5,487,380) | (5,706,620) | (5,932,240) | (6,164,310) | (6,405,980) |
| TOTAL USE OF RESOURCES | (5,026,360) | (5,277,860) | (5,487,380) | (5,706,620) | (5,932,240) | (6,164,310) | (6,405,980) |
| YEAR END FUND BALANCE | 40,230 | 250,230 | 250,230 | 250,230 | 250,230 | 250,230 | 250,230 |
| END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES | 0.8% | 4.5% | 4.4% | 4.2% | 4.0% | 3.9% | 3.8% |

Assumptions:

1. Leaf vacuuming charges are adjusted to achieve cost recovery.
2. The rates have been set to establish a fund balance of at least \$250,000 at the end of FY09, consistent with the fund balance policy developed in August 2004. In future years, rates will be adjusted annually to fund the approved service program and maintain the appropriate ending funding balance.

FY09 Solid Waste Service Charges

1. **Purpose** - To fund solid waste management services provided to residents and businesses in Montgomery County through service charges to all entities that benefit from such services.
2. **Classification of Service Charges** - There are five basic categories of service charges:

Base Systems Benefit Charge - Paid by all entities to cover costs of system administration, historical debt service, waste reduction, and "stand-by" disposal capacity.

Incremental Systems Benefit Charge - Paid by entities based on sector-specific services they receive (single-family homeowners pay for curbside recycling collection and processing, businesses pay for the commercial recycling program, etc.)

Disposal Charges - Paid as a service charge via the tax bill or at the Transfer Station by all entities who deliver solid waste to Montgomery County for disposal. At the Solid Waste Transfer Station, this charge is referred to as the "Tipping Fee" for accepting municipal solid waste for disposal.

Leaf Vacuuming Charge - Covers the cost of leaf vacuuming service provided in the Leaf Vacuuming District.

Refuse Collection Charge - Paid by homeowners who receive once weekly refuse collection service by County contractors.

3. **Implementation of Service Charges** - Service charges are collected from the various sectors in the following manner:

| | Base Systems Benefit Charge | Incremental Systems Benefit Charge | Disposal Charge | Leaf Vacuuming Charge | Refuse Collection Charge |
|---------------------------------------|------------------------------------|---|-----------------------------|--------------------------------|---------------------------------|
| Unincorporated Single-Family | Via tax bill | Via tax bill | Via tax bill | Via tax bill to those serviced | Via tax bill to those serviced |
| Incorporated Single-Family | Via tax bill | Not applicable | Charged at Transfer Station | Not applicable | Not applicable |
| Unincorporated Multi-family | Via tax bill | Via tax bill | Charged at Transfer Station | Via tax bill to those serviced | Not applicable |
| Incorporated Multi-family | Via tax bill | Via tax bill | Charged at Transfer Station | Not applicable | Not applicable |
| Unincorporated Non-Residential | Via tax bill | Via tax bill | Charged at Transfer Station | Not applicable | Not applicable |
| Incorporated Non-Residential | Via tax bill | Via tax bill | Charged at Transfer Station | Not applicable | Not applicable |

FY09 RECOMMENDED SOLID WASTE SERVICE CHARGES TO BE COLLECTED VIA REAL PROPERTY ACCOUNT BILLING

| Code Reference | Base Charge (\$/ton) | x | Billing Rate (tons/HH) | = | Disposal Charge | + | Base Systems Benefit Charge | + | Incremental Systems Benefit Charge | + | Refuse Collection Charge | + | Leaf Vacuuming Charge | = | Total Bill |
|--|----------------------|---|------------------------|---|-----------------|---|-----------------------------|---|------------------------------------|---|--------------------------|---|-----------------------|---|------------|
| | 48-32(a)(1) | | | | 48-32(c)(2) | | 48-8A(b)(2)(A) | | 48-8A(b)(2)(B) | | 48-29 | | 48-47 | | |
| SUBDISTRICT A (Refuse Collection District)* | | | | | | | | | | | | | | | |
| Inside Leaf Vacuuming District | \$ 56.00 | | 0.93549 | | \$ 52.39 | | \$ 30.25 | | \$120.08 | | \$ 73.00 | | \$ 93.04 | | \$ 368.76 |
| Outside Leaf Vacuuming District | \$ 56.00 | | 0.93549 | | \$ 52.39 | | \$ 30.25 | | \$120.08 | | \$ 73.00 | | | | \$ 275.72 |
| Incorporated | | | | | | | \$ 30.25 | | | | | | | | \$ 30.25 |
| SUBDISTRICT B SINGLE-FAMILY** | | | | | | | | | | | | | | | |
| Incorporated | | | | | | | \$ 30.25 | | | | | | | | \$ 30.25 |
| Inside Leaf Vacuuming District | | | | | | | | | | | | | | | |
| Unincorporated | \$ 56.00 | | 0.93549 | | \$ 52.39 | | \$ 30.25 | | \$120.08 | | | | \$ 93.04 | | \$ 295.76 |
| Outside Leaf Vacuuming District | | | | | | | | | | | | | | | |
| Unincorporated | \$ 56.00 | | 0.93549 | | \$ 52.39 | | \$ 30.25 | | \$120.08 | | | | | | \$ 202.72 |
| MULTI-FAMILY RESIDENTIAL** | | | | | | | | | | | | | | | |
| Incorporated | | | | | | | \$ 2.17 | | \$14.24 | | | | | | \$ 16.41 |
| Unincorporated | | | | | | | | | | | | | | | |
| Outside Leaf Vacuuming District | | | | | | | \$ 2.17 | | \$14.24 | | | | | | \$ 16.41 |
| Inside Leaf Vacuuming District | | | | | | | \$ 2.17 | | \$14.24 | | | | \$ 4.04 | | \$ 20.45 |

NONRESIDENTIAL - \$/2,000 SQ. FT. ***

| | | | | | | | | | | | | | | | |
|-----------------------------|--|--|--|--|--|--|-----------|--|----------|--|--|--|--|--|-----------|
| Code Reference | | | | | | | | | | | | | | | |
| Waste Generation Categories | | | | | | | | | | | | | | | |
| Low | | | | | | | | | | | | | | | |
| | | | | | | | \$ 80.89 | | \$ 10.32 | | | | | | \$ 91.21 |
| Medium Low | | | | | | | | | | | | | | | |
| | | | | | | | \$ 242.66 | | \$ 30.97 | | | | | | \$ 273.63 |
| Medium | | | | | | | | | | | | | | | |
| | | | | | | | \$ 404.44 | | \$ 51.62 | | | | | | \$ 456.06 |
| Medium High | | | | | | | | | | | | | | | |
| | | | | | | | \$ 566.22 | | \$ 72.27 | | | | | | \$ 638.49 |
| High | | | | | | | | | | | | | | | |
| | | | | | | | \$ 727.99 | | \$ 92.92 | | | | | | \$ 820.91 |

OTHER RECOMMENDED FY 09 SOLID WASTE FEES

| | | | | | | | | | | | | | | | |
|---|--|--|--|--|--|--|---------|--|---------------|--|---------|--|------|--|--|
| Base Solid Waste Charge under Section 48-32(a)(1): | | | | | | | | | | | | | | | |
| (This is known as the "Tipping Fee") | | | | | | | | | | | | | | | |
| | | | | | | | \$56.00 | | /disposal ton | | | | | | |
| Waste delivered for disposal <500 lb loads in privately owned and operated vehicles or trailers <1,000 lb capacity per Section 48-32(c)(2): | | | | | | | | | | | | | | | |
| | | | | | | | \$0.00 | | /disposal ton | | | | | | |
| Waste delivered in open-top roll-off box | | | | | | | | | | | | | | | |
| | | | | | | | \$60.00 | | /disposal ton | | | | | | |
| Recyclable Materials Acceptance Fees (Section 48-32(a)(2)): | | | | | | | | | | | | | | | |
| Paper and Commingled Containers | | | | | | | | | | | | | | | |
| | | | | | | | | | | | \$0.00 | | /ton | | |
| Yard Trim | | | | | | | | | | | | | | | |
| | | | | | | | | | | | \$40.00 | | /ton | | |
| Miscellaneous (48-31(f)): | | | | | | | | | | | | | | | |
| Compost Bins | | | | | | | | | | | | | | | |
| | | | | | | | | | | | \$0.00 | | each | | |

* Note: Base System Benefit Charges are set to cover County Base System Costs net of Disposal Charges.

** With respect to Base and Incremental System Benefit Charges, this category includes dwellings in buildings of six or fewer households.

*** The Nonresidential rate multiplied by the total number of 2,000 square foot units of enclosed area equals the nonresidential charge.